

Strategic Framework



Executive Summary

Introduction

The purpose of this Strategic Plan for Transit-Oriented Development is to provide a single, countywide framework for using transit-oriented development (TOD) to implement the 2002 General Plan for Prince George's County. The General Plan recognized the importance of TOD in achieving the principal goals for the county. Among these are:

- Capitalize on the public investment in the regional and county mass transportation system.
- Promote compact, mixed-use, moderate- to high-density development that will attract transit ridership.
- Target future growth where transportation infrastructure can most efficiently accommodate it.
- Ensure that future development is compatible with surrounding neighborhoods.



Successful transit-oriented development combines several strategies to achieve several growth and development objectives.

Background

TOD projects can help achieve a variety of economic, social and environmental objectives. They contribute to the economic viability of the transit system, increase property values, increase the taxable base and slow the financial drain that unchecked auto-oriented low-density development can create on local fiscal resources. TOD projects can help redevelop declining communities and stabilize mature neighborhoods, as well as provide a more diverse mix and concentration of housing, employment, shopping and recreation choices. TOD projects can also contribute to improved air quality by reducing auto trips, and they can help conserve scarce natural resources by concentrating development.

There is no one definition of what constitutes “good” transit-oriented development. Successful TOD varies around the country and is not always the same even within the same metropolitan area. However, most successful TOD can be characterized by planning that integrates land use and density, site design, parking, and accessibility into a specific vision of the project or development. TOD projects elsewhere are characterized by similar working premises, some of which are:

- Study the market for transit-oriented development and be prepared to “sell” TOD early and often.
- Clearly define the types of TOD you are trying to attract, and be sensitive to each site’s particular characteristics and opportunities.
- Be willing to wait, and be willing to “front” some of the initial investment needed to attract TOD.

- The best mix of land uses in a TOD project can be vertical as well as horizontal.
- Community involvement and “buy in” is essential if TOD projects are to successfully incorporate increases in densities, particularly when the project includes housing.

Transit-oriented development is not new to Prince George’s County, nor did it begin when Metrorail opened to the public a quarter century ago. At the turn of the nineteenth century, when urban streetcar lines were extended beyond the neighborhoods nearest downtown, the then-sparsely developed residential areas just outside the city limits came within a reasonable commute of the jobs and shopping concentrated in the city center. Arlington, Bethesda, **Brentwood**, Cabin John, **Capitol Heights**, Chevy Chase, **Mount Rainier**, Silver Spring and some areas of **Suitland** all illustrate a type of largely market-driven transit-oriented development from that period.

Today, transit-oriented development in Prince George’s County is based primarily on the Washington Metropolitan Area Transit Authority (WMATA) Metrorail system. There are 13 active Metrorail stations in the county and 2 additional stations to open in 2004. Because ridership at 9 of the 13 county Metrorail stations does not exceed station operating capacity, the county segments of Metrorail can absorb approximately 31 percent of any growth in ridership that Metrorail can achieve. In addition, Prince George’s County has approximately 34 percent of the remaining developable land near all Metro stations in the region. Therefore, most future opportunities for Metrorail station area development will be in Prince George’s County.

Implementing TOD projects in Prince George’s County will be challenging. The construction of Metrorail Green and Orange Lines stations along railroad rights-of-way reduced construction costs but produced station sites that are somewhat isolated from surrounding communities and the adjoining land uses that might otherwise have been redeveloped to attract transit-oriented development. Also, all but one of the county’s 15 Metrorail stations are in the Developed Tier, which contains the mature communities of Prince George’s County. This will mean attracting quality redevelopment, particularly infill, in this part of the county—particularly at Blue and Green Line stations. In these station areas, transit-oriented development has to be integrated into existing communities that do not require widespread redevelopment.

Decision-making Framework

In Prince George’s County, as elsewhere, developers and lenders provide the private capital and resources required to build transit-oriented development projects. However, decisions by real estate developers and investors are primarily market-based real estate decisions, not transit or community-building decisions. They include a rigorous analysis of market supply and market demand, project costs and project returns.

- The developer’s assessment of risk is key to decisions about whether to proceed or not. Mixing development product lines and uses, as is desirable in TOD, is a more complicated and more risky endeavor. Recent experience demonstrates that even some developers who have successfully dealt with the complexity of mixed-use development may not feel that the effort required is worth the return.¹
- Lenders and investors, like developers, tend to prefer simpler, more predictable real estate investments. Mixed-use, infill and transit-oriented development and redevelopment in urban areas are more difficult to achieve than conventional single-use development in suburban or greenfield areas. They are more expensive to coordinate, design and build. More, and more complex, markets, fragmented property ownership, lengthy land assembly, and multiple stakeholders with conflicting agendas can increase the risk—or perception—of significantly greater delay and of a timely or satisfactory return on investment.
- Finally, the developers and lenders who are skilled at transit-oriented development, to date, have been more active in other parts of the metropolitan area than in Prince George’s County. In order to get new development that conforms to county plans and policies for transit areas, developers and lenders both need to perceive that such development can be approved and financed more competitively than alternatives such as single-use, automobile-oriented projects. The county may need to become partners with developers on several fronts to achieve these public policies. When developers and lenders perceive that TOD projects in Prince George’s County can be financed and built with predictability and certainty, they will be built.

TOD-supportive public sector policies and programs, by themselves, do not result in suitable transit-oriented development. The implementation tools that are needed must be suitable for regulating the development, building the needed infrastructure and providing development incentives. The following types of tools may, if properly implemented, contribute to a successful TOD program:

- Development regulations
- Public investment
- Land acquisition and assembly
- Sector plans

¹ Federal REIT, a major developer of transit-oriented projects, recently withdrew from this market, citing the time, uncertainty and added costs to bring TOD projects to closure, even in regulatory environments that promote TOD and make provisions to expedite such projects.

TOD Potential

There is considerable potential for TOD in Prince George's County. There are 13 active Metrorail Stations, 2 Metrorail stations to open in 2004 and 2 active MARC stations in the county. There is also considerable station capacity and ample developable land near the county's stations.

According to "best practices," the potential for TOD at the county's transit and commuter stations depends, to a large degree, on the following factors:

- Plan consistency
- Access and parking
- Market opportunities
- Development constraints
- Pipeline (unbuilt, approved development)

Applying these factors to each station area (see Table 3) is the first step in a more detailed determination of TOD potential and a beginning point for identifying the order in which the station areas should receive more detailed TOD planning.

A Case Study: West Hyattsville TOD Planning Study

A *West Hyattsville TOD Planning Study* (see Appendix B), prepared for the Maryland Department of Transportation (MDOT), is a case study intended to represent the next step in determining TOD potential at individual stations. This study provides detailed project planning and market feasibility analysis for the West Hyattsville Metro Station located on the northern segment of the Green Line, the first stop outside of Washington, D.C.



TOD Opportunities: West Hyattsville Metro Station Area.

A key finding of this study is that strategic public actions, including targeted public investment, can generate a sufficient return to land-owners, developers, government and the WMATA and create a win-win scenario for the public and private sectors and the community. The targeted public actions may involve assembling land, streamlining the planning, approval and permitting processes, making moderate public infrastructure investments and implementing an innovative parking management strategy.

The proposed transit village at this station is envisioned as a diverse residential mix in a community that will feature:

- 3,600 residential units that include a variety of housing choices
- 1,000,000 square feet of office and commercial space
- 4,000 jobs
- A balanced street and circulation network and innovative parking management strategy.

The West Hyattsville TOD strategy was developed by involving public sector stakeholders and by conducting site, market and

financial analyses, design charrettes, and a developers forum, all of which led to the preferred concept and implementation actions recommended below.

Recommendations

There are General Plan policies and considerable development opportunities for TOD around the county's Metrorail and MARC stations. However, government planning and implementation must take place before the county's growth policies at these transit stations can be achieved. This report makes the following key recommendations:

Recommendation 1: Community Outreach

Undertake a continual and broad-ranging community outreach program to:

- a. Educate citizens, local officials, and property and business owners about transit-oriented development's role in realizing the General Plan vision for Prince George's County.
- b. Market the county's transit-oriented development potential to the development community.
- c. Engage civic and community associations in affected neighborhoods in discussions and review, as specific TOD proposals are developed for each station area.

Recommendation 2: TOD Planning

Establish a transit-oriented development planning sequence to:

- a. Periodically review the status of transit-oriented development planning in the county.
- b. Conduct and update evaluations of the TOD potential of each station area.
- c. Prepare development concepts for the priority sites.
- d. Prepare development strategies that define each site's final TOD vision.
- e. Undertake a project implementation program to secure developer commitments to each priority TOD site.
- f. Regularly evaluate each project's progress.

Recommendation 3: Development Regulations

Revise development regulations as follows:

- a. Update the county's development regulations as part of the Major Revision of Zoning Ordinance and Other Regulations contained in the FY 2004 Planning Department Work Program.

- b. Examine ways to simplify (“green tape”) the application, review and permit processes for those projects that are consistent with General Plan guidelines and goals for development at Centers.
- c. Develop a procedure for expeditiously changing the zoning of strategic properties on station area sites that are priority transit-oriented development projects.

Recommendation 4: Land and Site Assembly

Investigate strategies for land assembly, including the feasibility of using the eminent domain powers of the Redevelopment Authority or the county. Funding sources for land acquisition should be identified. Other potential tools that should be evaluated include density and intensity bonuses, land cost write-downs, or other incentives to help transit-oriented developers assemble properties.

Recommendation 5: Incentives

Investigate the applicability and feasibility of incentives to attract and encourage transit-oriented development, such as:

- a. The county should inventory all programs and funding sources that can be used to encourage quality TOD for each station.
- b. The county should ensure that infrastructure funding is phased and targeted to provide needed facilities such as street improvements, sidewalks, parks, and libraries.
- c. The county should investigate funding alternatives for needed improvements within TOD areas. The use of infrastructure financing districts or tax increment finance districts should be considered.

Recommendation 6: Intergovernmental Coordination

- a. Initiate a multiagency transit-oriented development review (early warning process) to identify and resolve conflicts or problems that might otherwise deter TOD in the county.
- b. Periodically review progress in TOD planning with a biennial review.